

Throughout his career, Congressman DeFazio has been a vocal advocate for reducing the tax burden on working families while ensuring that corporations and the wealthiest Americans (those making more than \$250,000 a year) pay their fair share.

DeFazio has voted in favor of tax relief for married couples, increasing the child tax credit, and creating the lower 10 percent tax bracket. DeFazio has supported legislation to lower the tax burden on small businesses. He has also drafted legislation to ease the payroll tax burden on workers and employers.

In the 111th Congress (2009-2010)

□□ DeFazio supported the recently enacted H.R. 2847, the “HIRE” Act which creates a tax credit for companies that hire people who have been unemployed for at least 60 days. This law was offset by cracking down on offshore tax evasion.

□□ DeFazio supported H.R. 4154, the Permanent Estate Tax Relief for Families, Farmers, and Small Businesses Act of 2009, which permanently set the estate tax at the 2009 level (\$3.5 million exemption or \$7 million for couples with a tax rate set at 45%) to ensure that 99.8 percent of estates never pay a dime of taxes and offer certainty and stability for farmers and small businesses.

□□ DeFazio voted for H.R. 4213, the American Jobs and Closing Tax Loopholes Act which would end tax loopholes that benefit foreign corporation and end tax loopholes that encourage domestic companies to outsource jobs overseas.

□□ DeFazio voted for H.R. 4849, Small Business and Infrastructure Jobs Tax Act of 2010 which would provide tax relief to small businesses and extend effective financing measures to create jobs and invest in infrastructure in America’s cities and towns.

□□ DeFazio is a cosponsor of legislation, H.R. 1265, the Stop Tax Haven Abuse Act which prohibits companies from taking advantage of tax havens like Bermuda to avoid income taxes on their overseas and/or domestic profits.

In the 110th Congress (2007-2008)

□□ DeFazio is a cosponsor of legislation, H.R. 2136, the Stop Tax Haven Abuse Act which prohibits companies from taking advantage of tax havens like Bermuda to avoid income taxes on their overseas and/or domestic profits.

□ DeFazio is also a cosponsor of H.R. 2345, the Abusive Tax Shelter Shutdown and Taxpayer Accountability Act. This legislation would eliminate abusive corporate tax shelters that have no economic rationale, but rather are accounting schemes designed solely to avoid U.S. taxes.

□□ DeFazio is a cosponsor of H.R. 2834, legislation requiring hedge fund managers and private equity managers to pay taxes on their earnings at the regular income tax rate rather than the lower capital gains rate.

□□ DeFazio is a cosponsor of H.R. 3160, legislation to prevent corporations from exploiting tax treaties to evade taxation of United States income.

□□ As during prior sessions of Congress, DeFazio is a cosponsor of legislation, H.R. 695, to prevent the privatization of tax collection. DeFazio is concerned that outsourcing tax collection to private companies costs more than having the IRS do it and threatens the privacy and

financial information of millions of Americans. Similar legislation, H.R. 3056, was approved by the House on October 10, 2007.

In the 109th Congress (2005-2006):

□□ In a newsletter during the Summer of 2006, DeFazio outlined his vision for tax fairness: (1) restoring the tax rates for those who make more than \$300,000 a year to the levels of the booming economy of the 1990s (2) making the payroll tax fairer by exempting the first \$4,000 of wages from the Social Security payroll tax and requiring those who make more than \$94,200 to pay the same rate as the individual earning \$30,000 (3) closing corporate tax loopholes that subsidize the export of American jobs (4) blocking corporations from dodging taxes by setting up paper headquarters in tax havens like Bermuda and (5) prohibiting government contracts for corporations that dodge taxes.

□ On December 7, 2005, DeFazio voted in favor of H.R. 4096, legislation to extend relief from the individual alternative minimum tax (AMT) to middle class families through 2006. If this legislation is not enacted, the AMT protections would expire in 2005. The House approved the bill 414-4. The Senate has not acted.

□ DeFazio has voted on supported several amendments by Rep. Obey (D-WI) to scale back the tax cuts for millionaires in 2006 in order to more adequately fund key programs, including education programs and veterans health care.

□ DeFazio voted against H.R. 4297, the tax cut portion of the budget reconciliation process. DeFazio voted against the bill because it would add \$56 billion to the deficit over five years, and because the centerpiece of the bill was the extension of the dividend and capital gains tax cuts, which overwhelmingly benefit people making more than \$300,000 a year. H.R. 4297 was

signed into law on May 17, 2006.

□ In a November 17, 2005, op-ed regarding the budget reconciliation process, DeFazio wrote, "Instead of extending new tax cuts for earners over \$300,000, restore the rates they paid during the booming 1990's. That would reduce the projected deficit by \$327 billion in five short years. If we restricted offshore tax shelters we could reduce the deficit at least another \$33 billion. If we reinstated the superfund tax so polluters paid to clean up their own messes, we could drop it another \$10 billion. Limiting the estate tax exemption to \$6 million and progressively taxing larger estates could cut the deficit by \$31 billion a year."@

□ DeFazio is a cosponsor of legislation, H.R. 1303, which prohibits companies from taking advantage of tax havens like Bermuda to avoid income taxes on their overseas and/or domestic profits.

□ DeFazio is also a cosponsor of H.R. 2625, the Abusive Tax Shelter Shutdown and Taxpayer Accountability Act. This legislation would eliminate abusive corporate tax shelters that have no economic rationale, but rather are accounting schemes designed solely to avoid U.S. taxes.

□ DeFazio voted in favor of an amendment by Rep. DeLauro (D-CT) to prohibit federal contracts from being awarded to companies that set up pseudo headquarters in tax havens like Bermuda in order to dodge U.S. taxes. The DeLauro amendment to H.R. 3058, the fiscal year 2006 Transportation/Treasury Appropriations bill, was defeated 190-231.

□ DeFazio is a cosponsor of H.R. 3260, the Income Equity Act of 2005. This legislation would prohibit companies from taking tax deductions for executive compensation that exceeds 25 times the compensation of the lowest paid worker. The Income Equity Act would still allow corporations to pay their executives whatever they want. However, the legislation would end the unfair practice of having other taxpayers subsidize such extravagance.

□ On July 28, 2006, joined colleagues in writing to IRS Commissioner expressing concerns about reports that the IRS was eliminating 157 estate and gift tax auditor positions.

□ DeFazio is a cosponsor of H.R. 3883, legislation to allow a tax deduction for up to 60% of gains from certain sales or exchanges of timber.

□ DeFazio is a cosponsor of H.R. 1621, legislation to repeal the authority of the IRS to outsource tax collection to private entities. Studies have show that the privatization of tax collection has led to increased costs, taxpayer privacy concerns, and abuse of taxpayers.

□ On July 19, 2006, DeFazio joined several colleagues in writing to the IRS Commissioner to express opposition to the plan to contract out collection of overdue taxes.

□ DeFazio is a cosponsor of H.R. 1511, legislation to extend the wind energy production tax credit for five years. A two-year extension was included in H.R. 6, the Energy Policy Act of 2005, which was signed into law on August 8, 2005.

In the 108th Congress (2003-2004)

□ DeFazio voted in favor of H.R. 1308, legislation to extend the increased child tax credit, the lower 10 percent tax bracket and marriage penalty relief originally approved in 2001 for five more years. This legislation was sent to the President for his signature on September 23, 2004.

□ The first bill DeFazio introduced in the 108th Congress was an economic stimulus measure, H.R. 396, that provided for a one-year exemption of the first \$10,000 in wages from the Social Security payroll tax. This legislation would provide a \$620 tax cut for employees and a \$620 tax cut for employers for each employee earning at least \$10,000.

□ DeFazio voted in favor of stand-alone legislation, H.R. 4359, to permanently maintain the increase in the child tax credit that was originally enacted in 2001. This legislation was

approved in the House on May 24, 2004. A five year extension was eventually rolled into H.R. 1308, which was sent to the President for his signature on September 23, 2004.

□ DeFazio also cosponsored legislation, H.R. 2325, which would accelerate the refundability of the child tax credit. This legislation would benefit lower income families.

□ DeFazio voted in favor of stand-alone legislation, H.R. 4181, to ensure the repeal of the marriage penalty that was enacted in 2001 was made permanent. This legislation was approved by the House on April 28, 2004. A five year extension was rolled into H.R. 1308, which was sent to President Bush for his signature.

□ DeFazio voted in favor of stand-alone legislation, H.R. 4275, to make the 10 percent tax bracket permanent. This legislation was approved by the House on May 13, 2004. A five year extension was eventually rolled into H.R. 1308, which has been sent to President Bush for his signature.

□ DeFazio voted in favor of legislation, H.R. 4227, that would extend relief from the alternative minimum tax for individuals for two years. This legislation was approved by the House on May 5, 2004. One-year relief from the AMT was included in H.R. 1308, which was sent to President Bush for his signature.

□ DeFazio voted in favor of H.R. 1057, legislation to extend the expansion and increase in the adoption tax credit that was originally adopted in 2001. This legislation was approved in the House on September 23, 2004.

□ DeFazio cosponsored several bills to force corporations to pay their fair share of taxes including: H.R. 737 to eliminate the ability of corporations to rent post office boxes that serve as headquarters in tax havens to avoid U.S. taxes; H.R. 1555 to eliminate corporate tax shelters used to hide income.

□ DeFazio is a cosponsor of H.R. 3607, legislation to provide a refundable tax credit for small businesses to purchase health insurance for their employees. The credit equals 40-60 percent

of the cost of insurance, depending on the size of the company.

□ DeFazio is also a cosponsor of legislation introduced by Representative Hooley, H.R. 3608, which provides a \$5,000 tax credit for the creation of new jobs during the current recession.

□ DeFazio is a cosponsor of bipartisan legislation, H.R. 1769, the Job Protection Act, which would lower the corporate tax rate on businesses who manufacture in the United States.

□ DeFazio voted against H.R. 4520, the so-called American Jobs Creation Act, because the bill included tens of billions of dollars in tax subsidies for exporting American jobs overseas. The non-partisan Congressional Research Service wrote that the tax cuts in H.R. 4520 would "unambiguously reduce the relative tax burden of foreign compared to domestic income...there would be more situations where firms would have a tax incentive to increase their overseas investment." DeFazio also opposed the bill because it would add \$200 billion to our national debt over ten years, it contained a variety of corporate subsidies for favored industries, and did not do enough for small manufacturers here at home.

□ DeFazio voted in favor of H.R. 1307, the Armed Forces Tax Relief Act. This legislation eases the tax burden on those serving in combat situations in a variety of ways.

□ DeFazio is a cosponsor of legislation, H.R. 727, to close a loophole that subsidizes the purchase of heavy gas guzzling vehicles like Humvees.

□ DeFazio is a cosponsor of H.R. 570, legislation to extend the production tax credit for wind energy, which is important renewable energy production in the Northwest. A extension of the renewable energy production tax credit was included in H.R. 1308, which was sent to the President for his signature in September 2004.

□ DeFazio is a cosponsor of H.R. 610, legislation to reinstate the tax on corporations to pay for clean-up of environmentally hazardous Superfund sites. This legislation promotes the "Polluter Pays" principle rather than requiring taxpayers to pay to clean up corporate messes.

□ DeFazio is a cosponsor of H.R. 2096, legislation to provide a tax deduction for long-term care insurance premiums.

□ DeFazio is a cosponsor for H.R. 2888, legislation that would limit the tax deductability of excessive CEO compensation. Corporations could still pay CEOs whatever they want to, but they couldn't force the American taxpayers to subsidize such pay by counting excessive pay as a business expense and then deducting it off their taxes.

In the 107th Congress (2001-2002)

□ DeFazio voted against the final version of the tax cuts advocated by President Bush during 2001-2003 because he did not believe that the surpluses that were supposedly being returned to taxpayers would actually materialize. Unfortunately, they did not, which means that our nation is borrowing trillions of dollars in order to fund tax cuts.

□ DeFazio voted in favor of a substitute bill by Representative Rangel(D-NY) to end the marriage penalty in the U.S. tax code (March 29, 2001, Roll Call Vote #73).

□ DeFazio voted in favor of a substitute bill by Representative Rangel to eliminate the estate tax for all estates worth \$5 million or less. (April 4, 2001, Roll Call Vote #82).

□ DeFazio cosponsored several bills to force corporations to pay their fair share of taxes including: H.R. 3884 to eliminate the ability of corporations to rent post office boxes that serve as headquarters in tax havens to avoid U.S. taxes; H.R. 2520 eliminate corporate tax shelters used to hide income; H.R. 4993 to prevent businesses that relocate abroad to avoid taxes, from taking advantage of international tax treaties; and H.R. 4831 to prohibit corporate tax dodgers from receiving government contracts.

□ DeFazio introduced legislation, H.R. 3315, to stabilize and improve Social Security. This legislation included a provision to exempt the first \$4,000 in wages from the individual portion of

the Social Security payroll tax.

In the 106th Congress (1999-2000)

□ DeFazio voted in favor of legislation, H.R. 4865, legislation to repeal a portion of the tax on Social Security benefits (Roll Call Vote #450). This legislation was approved by the House on July 27, 2000, but was never acted on by the Senate.